



THE COMMONWEALTH OF MASSACHUSETTS
OFFICE OF CAMPAIGN & POLITICAL FINANCE

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MARY F. MCTIGUE
DIRECTOR

April 5, 1990
AO-90-13

Tanya Marlow
Treasurer
Chicopee City Democratic Committee
71 Mary Street
Chicopee, MA 01020

Dear Ms. Marlow:

This letter is in response to your request for an advisory opinion.

You stated that the Chicopee Democratic City Committee (the "Committee") has been in the process of forming a scholarship fund. The Committee has had a fundraising breakfast each year at which you honor a local Democrat as "Chosen Democrat of the Year." Any profit from this breakfast is retained in the Committee's bank account to be used for expenditures throughout the year for such activities as mailings, meeting hall rentals, and contributions to state and local Democratic causes.

Certain members of the Committee wish to transfer \$1,000 out of this general fund for the scholarship. Other members believe that the scholarship should be funded through a separate fundraising program. You have inquired whether either of these approaches is prohibited under the provisions of M.G.L. c.55.

As a general observation, while different members of the Committee may have different reasons for having the Committee make certain expenditures, i.e. in support of candidates and in support of a scholarship, this office has found that expenditures for scholarship awards are permissible expenditures under the provisions of M.G.L. c.55 (subject to certain restrictions) and has so advised political committees such as the Committee. (See AO-89-13 and AO-89-19, copies of which are enclosed.

More specifically, section 18 of M.G.L. c.55 provides that all contributions to and all expenditures by a political committee be reported by that committee on its campaign finance reports. Likewise, section 2 of M.G.L. c.55 requires that the treasurer of a political committee maintain records of such contributions and expenditures. No provision of the campaign finance law prohibits a political

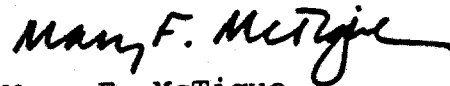
committee from maintaining more than one checking account into which contributions are deposited and from which expenditures are made, provided the record-keeping, reporting and disclosure requirements of M.G.L. c.55 are met.

The Committee would therefore be permitted to make expenditures for the scholarship award out of a "general" funds checking account. Similarly, the Committee could also maintain a separate checking account into which particular contributions were placed and from which expenditures for the scholarship award were made. However, the Committee and you as treasurer must maintain records of and report all such campaign finance activity on a single disclosure form with this office, whether or not the Committee maintains one checking account or more than one checking account.

This opinion is based solely on the representations made in your letter and has been rendered solely in the context of M.G.L. c.55.

If you have additional questions, please do not hesitate to contact this office.

Very truly yours,



Mary F. McTigue
Director

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MFM/wp